

**NEW MEXICO STATE BOARD OF FINANCE**

**REGULAR MEETING**

**VIRTUAL ATTENDANCE AVAILABLE**

**Santa Fe, New Mexico**

**January 17, 2024**

A regular meeting of the New Mexico State Board of Finance was called to order on this date at 9:00 a.m. in the Governor's Cabinet Room, fourth floor, State Capitol Building, Santa Fe, New Mexico. The meeting was held with a virtual option for those who could not attend in person.

**1. ROLL CALL -- QUORUM PRESENT**

**Members Present:**

The Hon. Laura M. Montoya, New Mexico State Treasurer  
Mr. Joseph Badal, Public Member (attending virtually)  
Mr. Paul Cassidy, Public Member  
Mr. Michael S. Sanchez, Secretary, Public Member  
Ms. Wendy Trevisani, Public Member

**Members Excused:**

The Hon. Michelle Lujan Grisham, President  
The Hon. Howie Morales, Lt. Governor

**Staff Present:**

Ms. Ashley Leach, Director  
Mr. Marcos B. Trujillo, Deputy Director

**Legal Counsel Present:**

Ms. Jennifer Salazar  
Mr. Blaine N. Moffatt

**2. APPROVAL OF AGENDA**

**Member Trevisani moved approval of the agenda, as published. Treasurer Montoya seconded the motion, which passed unanimously.**

3. **APPROVAL OF MINUTES: December 19, 2023 (Regular Meeting)**

Member Cassidy moved approval of the December 19, 2023, minutes, as presented. Treasurer Montoya seconded the motion, which passed unanimously.

**CONSENT AGENDA (Items 4-9)**

Presenter: Ashley Leach, Director, Board of Finance

Submitted by: Benjamin McIntosh, Real Estate Manager, Bernalillo County

4. **Bernalillo County—Requests Approval of an Amendment to the Lease of Real Property, Located at 140 Tyler Court NE in Albuquerque, with the Albuquerque Sign Language Academy (\$660,000)**

- Contingent upon director's and counsel's receipt and review of a fully executed ground lease amendment #1

5. **Bernalillo County—Requests Approval of the Lease of Real Property, Located at 12 Camino Municipal in Tijeras, to Bernalillo County Health Care Corporation (\$28,920/year)**

- Contingent upon director's and counsel's receipt and review of (1) a revised and fully executed lease agreement and (2) either a favorable review from the Taxation and Revenue Department of the amended appraisal or confirmation from the Department that a new review is not necessary

Submitted by: Gerald Hoehne, Capital Projects Director, HED

6. **University of New Mexico—Requests Approval of Capital Expenditures for Predock Center Renovations (\$750,000)**

7. **New Mexico State University—Requests Approval of Capital Expenditures for Campus Information Technology Infrastructure Upgrades (\$3,002,000)**

8. **New Mexico State University—Requests Approval of Capital Expenditures for Activity Center Weight Room and Student Lounge Renovations (\$4,864,035.57)**

Submitted by: Stephen Weinkauff, NM 9-11 Bureau Chief, DFA – Local Government Division

9. **Department of Finance & Administration, Local Government Division—Requests Approval of an Amendment to the FY24 Operating and Capital Budget for Public Safety Answering Points**

Treasurer Montoya moved to adopt Consent Agenda items 4-9, with the contingencies. The motion was seconded by Member Cassidy and passed unanimously.

## **INFORMATIONAL ITEMS**

Presenter: Ashley Leach, Director, State Board of Finance

10. **Capital Buildings Repair Fund Financial Status Report for Month-Ended December 31, 2023**

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11. **Legislative Capital Projects Financial Status Report for Month-Ended December 31, 2023**

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12. **State Treasurer's Office Investment Report for Month-Ended November 30, 2023**

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13. **Emergency Balances – January 17, 2024**

	<u>Balance</u>	<u>Appropriation</u>
Operating Reserve Fund	\$2,136,692.61	\$4,000,000.00
Emergency Water Fund	\$ 49,600.00	\$ 109,900.00

Ms. Leach reported these balances.

14. **Fiscal Agent and Custodial Bank Fees Report**
15. **Joint Powers Agreements for Month-Ended December 31, 2023**

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16. **New Mexico Mortgage Finance Authority Housing Trust Fund 1st Quarter FY24 Earmark Report**

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## **STAFF ITEMS**

Presenter: Ashley Leach, Director, Board of Finance

17. **Determination of 2024 Board of Finance Subcommittee Members for Private Activity Bond, Banking, Audit, Rule Change, and Procurement Subcommittees**

Ms. Leach presented the list as follows:

### **PAB Subcommittee**

- Lt. Governor Howie Morales, Senator Michael Sanchez

### **BANKING SUBCOMMITTEE**

- State Treasurer Laura M. Montoya, Wendy Trevisani

### **AUDIT SUBCOMMITTEE**

- Paul Cassidy, Joseph Badal

#### RULE CHANGE SUBCOMMITTEE

- Paul Cassidy, Joseph Badal, Senator Michael Sanchez

#### PROCUREMENT SUBCOMMITTEE

- Paul Cassidy, Joseph Badal, Senator Michael Sanchez

**Treasurer Montoya moved for approval. Member Trevisani seconded the motion, which passed unanimously.**

#### **18. Determination of 2024 Board of Finance Secretary**

**Member Cassidy moved that Member Sanchez continue to serve as Board of Finance Secretary in 2024. Member Trevisani seconded the motion, which passed unanimously.**

#### **19. Approval of Open Meetings Act Resolution**

Mr. Moffatt discussed changes made to this year's Open Meetings Act Resolution.

Treasurer Montoya requested that the language referring to newspapers of general circulation in Section 3 (Regular Meetings) be reinstated.

**Treasurer Montoya moved for approval of the resolution, as amended. Member Badal seconded the motion, which passed unanimously.**

#### **20. Approval of Interest Rate Policy**

Ms. Leach said staff from the Board of Finance and the State Treasurer's Office convened to revisit the policy and ensure its accuracy. The changes are primarily around ensuring that the appropriate statutes are referenced that provide the board's authority to set this policy, and clarifying some of the statutes that govern additional requirements as listed under Section IV.A. In addition, as per Treasurer Montoya's recommendation, Section VI states that, upon adoption, the State Board of Finance and State Treasurer's Office will provide this policy to the New Mexico Association of Counties, the New Mexico Municipal League, and other organizations and associations and entities as needed.

Member Cassidy commented that he very much supports this but wondered if the intent for which this policy was originally created is really there. He suggested that the Treasurer's Office consider over the next year to see if the desired result has really happened.

Treasurer Montoya responded that she feels this is a very good policy now that it has been updated because it helps protect the ability to get good rate of return on public fund deposits.

**Treasurer Montoya moved for approval. Member Trevisani seconded the motion, which passed unanimously.**

**21. Request to Procure Disclosure Counsel Services for July 1, 2024 through June 30, 2028**

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Ms. Leach stated that the current disclosure counsel contract with Kutak Rock would expire on June 30, 2024. Staff is requesting approval to begin the procurement process for this contract and anticipates presenting the finalist and contract to the board in May or June.

**Member Cassidy moved for approval. Member Sanchez seconded the motion, which passed unanimously.**

**REAL PROPERTY LEASES**

Presenter: Ashley Leach, Director, Board of Finance

Submitted by: Ronda Trujillo, Coordinator of Leased Facilities, Los Alamos Public Schools

**22. Los Alamos Public Schools—Requests Approval of the Lease of Real Property, Located at 2101 Hawk Drive in Los Alamos, to Los Alamos Commnet, Inc. (\$30,000/year and 30% of sublease revenue)**

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Ms. Leach stated that this request is for approval of the lease of 1.93 acres to Los Alamos Commnet, Inc. The space currently houses the North Mesa Radio Antenna Tower, on which Commnet is a co-locator. Commnet is buying out the original antenna owner and intends to continue using the tower for telecommunications. The lease is for five years, with five options to extend for an additional year. An appraisal established the market value at the lease rate of \$30,000.

Ms. Leach stated that approval of this request is contingent upon director's and counsel's receipt and review of (1) a fully executed lease agreement and (2) an executed resolution or board minutes from the school district evidencing approval of the lease.

Member Badal stated that he would be recusing himself from the vote because he is a very small minority shareholder in Commnet.

**Treasurer Montoya moved for approval, subject to the contingencies stated by Ms. Leach. Member Cassidy seconded the motion, which passed unanimously.**

**BONDING PROGRAMS**

Presenter: Ashley Leach, Director, Board of Finance

**23. Presentation of the 2024 Annual Financial Information Filing**

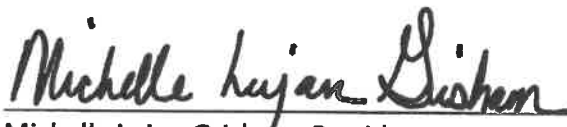
Ms. Leach said the board took action on this item at another meeting with a fairly hefty redline in front of them. Staff is bringing this back today with some minor final changes primarily around property tax data that became available on January 11. Those changes have been incorporated. The section on the Investment Policy was also updated given the board's action in December on the revised LGIP policy. STO is reviewing that for any final minor changes and will have that available later this week.

ADDITIONAL COMMUNICATIONS

Treasurer Montoya introduced Cibola County Treasurer Kathy Gonzales, Chief Deputy Johnny Pino, Accountant Christine Dominguez, and Tax Coordinator Dovie Valdez.

Board members thanked Jennifer Salazar for her service as legal counsel to the board.

ADJOURNMENT: 9:35 a.m.

  
Michelle Lujan Grisham, President

2-20-24  
Date

  
Michael S. Sanchez, Secretary

2-21-24  
Date